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C O N F I D E N T I A L SECTION 01 OF 02 BUDAPEST 000875

STPDIS

DEPARTMENT FOR EUR/CE JAMIE MOORE. NSC FOR JEFF HOVENIER.

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SUBJECT: GYOR - JOBBIK CHALLENGING FIDESZ ON ITS HOME TURF

Classified By: Political Counselor Paul C. O'Friel for reasons 1.4 (b) and (d).

11. (C) SUMMARY. A popular local mayor has helped opposition party Fidesz gain control of the former Socialist party sinecure of Gyor in western Hungary. While local Fidesz politicians expect a crushing victory over the Socialists in next April's parliamentary elections, the far-right party, Jobbik, is effectively mobilizing to challenge Fidesz. END SUMMARY.

FIDESZ DOMINATES ONE-TIME SOCIALIST SINECURE

- ¶2. (U) The western city of Gyor, with its Baroque town center and bustling shops, exudes the signs of comfortable prosperity. Although unemployment figures have gone from 4.2 percent to 7.8 percent over the last year as many of its export-oriented businesses retrench, the rate is still below Hungary's national average of 10 percent. Gyor's industrial park is home to 80 companies from 10 different countries, and Audi, which is the largest local employer with 5,000 workers, clearly dominates the local scene.
- 13. (U) A one-time Socialist party sinecure, Gyor since 2006 has become more and more an opposition Fidesz party town after the mayoral victory of Zsolt Borkai, a 44-year old Olympic gold medal winner. According to Deputy Mayor Robert Simon, the mayor and his team carefully nurture their ties with the business community, especially Audi. The local university has developed a program tailored to produce the workers Audi needs, and the mayor, university rector, and Audi country manager meet monthly to recalibrate and determine how best to move forward.
- 14. (SBU) Aside from renewing the city's Baroque core and turning it into a pedestrian zone, Mayor Borkai has worked to improve roads and infrastructure and provide loans to small and medium enterprises. Sports and culture get support, too. Deputy Mayor Simon said the Fidesz administration is watching its bottom line, however. Gyor's public debt is low, and the city management has only partially drawn down the \$28.5 million bank loan inherited from its Socialist predecessor. "For us, the city comes first; we operate on what's best for Gyor, not what's best for the party."

JOBBIK MOUNTING A CHALLENGE

15. (C) With the Socialist party disappearing as a political force and Mayor Borkai highly popular, Fidesz would appear to be in a comfortable situation. Not so, according to Simon, who states his greatest worry is the growing strength of the far-right party, Jobbik. "Hungary is a country that needs a

strong left, but the left currently now has lost credibility, which is the lifeblood of politics," Simon said. In his analysis, Jobbik has played upon the daily problems in people's lives, coupled with unemployment and perceptions of rising criminality, to build support.

- 16. (C) Jobbik in Gyor is disciplined and very well organized, Simon said, capable of mobilizing crowds and conducting effective door-to-door canvassing. Asked why people in Gyor, where the Roma population is well-off and largely assimilated and criminality is low, would support Jobbik, Simon paused and said, "People are fed up with politics as usual." Simon commented that local Jobbik supporters are well-groomed and well-dressed and their candidates' speeches are filled with patriotic and emotional themes. "They're going to do better here than the Socialists and nationally may get 30-40 members in Parliament," he predicted.
- ¶7. (C) Akos Radnoti, president of the local Fidesz youth wing, separately confirmed Jobbik's growing challenge to Fidesz. "We're seeing a lot of young voters cross over to Jobbik," he confessed. In the June 2009 EU Parliamentary elections, Jobbik plastered its posters on top of Fidesz's. It manned an information booth in the center of town almost 24-hours a day. "Fidesz is well-financed, and we can't even afford to do that," Radnoti stated, wondering, "Where's their money coming from?" He noted that Fidesz had learned that local Jobbik leader Gergely Nagy intended to challenge Mayor Borkai in Borkai's home district in next April's parliamentary elections.

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- 18. (C) Asked for his views on what was Jobbik's attraction, Prior Cirill Hortobagyi of the Benedictine order's historic Pannonhalma Monastery observed that the economic crisis had created disillusionment and uncertainty. With both Fidesz and the Socialists discredited in the eyes of many voters, Jobbik appeared better than the other two alternatives. It was easy for Jobbik to say "this is wrong/that is wrong," Hortobagyi commented, noting that Jobbik did not have to provide any solutions; it only had to churn out simple slogans and simple answers. Hortobagyi added that he was working hard to insulate the 350 students at the Abbey's Secondary School from Jobbik influence. "We're trying to open up their minds," he said, stressing, "We'll never, ever allow Jobbik here."
- 19. (C) COMMENT. What we have seen in Gyor regarding Jobbik parallels what we have seen in other cities around the country. The far right appears to be effective in its campaign to gather supporters, and to be growing more confident that it can challenge Fidesz.

 LEVINE